

CENTRAL INTELLIGENCE AGENCY

REPORT

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COUNTRY Germany (Soviet Zone)

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SUBJECT Cement Mills Ordered by USSR/Boat Construction
for USSR 25X1

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1. Beginning in 1951 and up to at least 1953, 14 cement mills per year were ordered by the USSR in East Germany. Each mill was to have a capacity of one thousand tons of cement daily and cost about 14 million East marks apiece. Two firms handled the subcontracting of component electrical assemblies: Polysius, employing about seven thousand personnel in Dessau, and the Ernst Thaelmann Werke, employing about 14 thousand personnel in an old Krupp factory in Magdeburg.
2. The firm Electro Apparate Werke (EAW) in Berlin-Treptow procured the electrical equipment for the cement mills by subcontracting to IKA #6, formerly Rheostat-Habeg, and IKA #1, formerly Cruse, in Dresden, for all small electrical components. Sachsenwerke, formerly Sovietische Co., in Niedersiedlitz near Dresden, produced motors, generators, transformers and high tension switch gear and breakers up to 30,000 volts for EAW for the cement mills. EAW produced rectifiers, switch gear and circuit breakers for low tension, contractors up to 75 amps, and a few radios. EAW assembled all of the cement mill electrical equipment for shipment to the USSR.
3. Rheostat-Habeg was contracted by EAW to produce small electrical equipment for the cement mills for approximately 1,500,000 East marks per year for 1951, 1952 and 1953.
4. From 1949 to 1952 Rheostat-Habeg, electrical equipment manufacturers in Dresden, received orders from V.E.M. Rostock to supply small electrical equipment for boats ordered by the USSR. The boats were constructed in shipyards at -

Boizenburg, near Berlin
Warnemuende
Wismar
Stralsund, and
the Neptune Works, Rostock.

The boats constructed were three hundred ton loggers, 140 ton fishing boats, and three thousand to six thousand ton freight boats.

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5. Approximately one hundred of the loggers were constructed, 80 to 90 of which were destined for the USSR and 10 to 20 were to be for use by the East German Government. Several hundred of the fishing boats were constructed. There was much curiosity ~~concerning~~ the fishing boats, because no refrigeration equipment was included. I believed that the boats were to be used for military purposes, with armament to be installed in Soviet shipyards.
6. The freight boats were constructed mostly by the Neptune Works in Rostock. One boat was named "Westloff". I noticed that two Soviet destroyers were having minor repairs [redacted]
7. Orders received by Rheostat-Habege from V.E.M. Rostock for provision of small electrical equipment for the boats amounted to -

1940 - 1,500,000 East Marks
 1950 - 1,000,000 " "
 1951 - 750,000 " "
 1952 - 100,000 " "

The IKA #1 in Dresden (formerly Cruse) also supplied electrical equipment for installation in the boats starting in 1951. In 1952 IKA #1 supplied almost all of the small electrical equipment.

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